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## TRANSCRIPT OF PROCEEDINGS

Before the

FEDERAL COMMUNICATIONS COMMISSION

Washington, D.C. 20554

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:  
In the Matter of: : CC Docket  
Petition of WorldCom, Inc., Pursuant : No. 00-218  
to Section 252 (e) (5) of the :  
Communications Act for Expedited :  
Preemption of the Jurisdiction of the :  
Virginia State Corporation Commission :  
Regarding Interconnection Disputes :  
with Verizon Virginia, Inc., and for :  
Expedited Arbitration :  
:  
In the Matter of: : CC Docket  
Petition of Cox Virginia Telecom, Inc., : No. 00-249  
Pursuant to Section 252 (e) (5) of the :  
Communications Act for Preemption :  
of the Jurisdiction of the Virginia :  
State Corporation Commission Regarding :  
Interconnection Disputes with Verizon :  
Virginia, Inc., and for Arbitration :  
:  
In the Matter of: : CC Docket  
Petition of AT&T Communications of : No. 00-251  
Virginia, Inc., Pursuant to Section :  
252 (e) (5) of the Communications Act :  
for Preemption of the Jurisdiction :  
of the Virginia Corporation :  
Commission Regarding Interconnection :  
Disputes with Verizon Virginia, Inc. :  
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Wednesday, October 10, 2001  
Washington, D.C.

## APPEARANCES:

On behalf of the Verizon:

RICHARD D. GARY, ESQ.  
KELLY L. FAGLIONI, ESQ.  
MIKE OATES, ESQ.  
W. JEFFREY EDWARDS, ESQ.  
EDWARD P. NOONAN, ESQ.  
JENNIFER McCLELLAN, ESQ.  
Hunton & Williams  
Riverfront Plaza, East Tower  
951 East Byrd Street  
Richmond, Virginia 23219-4074  
(804) 788-8200

On behalf of the AT&T:

MARK A. KEFFER, ESQ.  
IVARS V. MELLUPS, ESQ.  
GEORGE R. (Ridge) LOUX, ESQ.  
RICHARD H. RUBIN, ESQ.  
STEPHANIE A. BALDANZI, ESQ.  
ELLEN SCHMIDT, ESQ.  
MICHAEL McRAE, ESQ.  
AT&T  
3033 Chain Bridge Road  
Oakton, Virginia 22185  
(703) 691-6046

On behalf of WorldCom:

JODIE L. KELLEY, ESQ.  
MARK SCHNEIDER, ESQ.  
KIMBERLY SCARDINO, ESQ.  
JOHN MONROE, ESQ.  
Jenner & Block, L.L.C.  
601 13th Street, N.W.  
Washington, D.C. 20005  
(202) 639-6066

APPEARANCES: (Continued)

On behalf of WorldCom, Inc.:

ALLEN FREIFELD, ESQ.  
1133 19th Street, N.W.  
Washington, D.C. 20036

On behalf of Cox Virginia Telecom, Inc.:

J.G. HARRINGTON, ESQ.  
JILL BUTLER, ESQ.  
Dow, Lohnes & Albertson  
1200 New Hampshire Avenue, N.W.  
Suite 800  
Washington, D.C. 20036  
(202) 776-2818

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## 1 P R O C E E D I N G S

2 MR. DYGERT: Thanks, everyone, for coming  
3 and being here right at 9:30 and being ready to  
4 start. I guess first we should see whether there  
5 are any preliminary matters that we need to get  
6 through before we get on to the cross-examination  
7 of witnesses again. Anyone?

8 MR. EDWARDS: Good morning, this is Jeff  
9 Edwards. Just for the record, we have distributed  
10 this morning--Mr. Albert made four drawings  
11 yesterday during his testimony that were marked  
12 yesterday Exhibits 48, 49, 50 and 51, and we  
13 reduced those to eight and a half by 11 paper, and  
14 we've distributed those this morning.

15 And what I suggest we do is perhaps wait  
16 until later in the morning to give people time to  
17 look at them and then move for their admission.

18 ARBITRATOR ATTWOOD: Okay.

19 MR. DYGERT: If the petitioners wouldn't  
20 mind at some point taking a look at those and being  
21 sure that they comport with their recollection of  
22 those drawings from yesterday, that would be great.

1 MR. KEFFER: Similarly, AT&T has  
2 distributed the exhibits that were marked AT&T 31  
3 through 34, which were the network interconnection  
4 discussion diagrams that Ms. Schmidt used during  
5 her cross-examination yesterday.

6 MR. DYGERT: Thank you. I know yesterday  
7 Ms. Schmidt, I guess at end of your examination on  
8 those drawings, you had started to ask additional  
9 questions, and I asked that you postpone those  
10 questions until we had these diagrams in hand.

11 Do you have additional follow-up on these  
12 diagrams for the Verizon witnesses?

13 MS. SCHMIDT: No, I don't.

14 MR. DYGERT: Okay, thank you. Ms. Kelley?

15 MS. KELLEY: Yeah, just one thing that I  
16 thought might be useful to raise. I don't know if  
17 we could resolve it now, but I noticed this both  
18 when in the discussion that Mr. Harrington had with  
19 the parties and the staff about which proposal he  
20 should be cross-examining on, and I noticed also  
21 when we did our cross on issue 1.1, and I'm not  
22 sure what the source of this is, but, for example,

1 on the 1.1 issue, we were asking about rate centers  
2 because that's the proposal we had received, and we  
3 were told that's not actually the proposal. It's  
4 actually about local calling areas.

5           We obviously don't mind if the proposals  
6 change, but it is going to be really important to  
7 the parties both to be able to prepare for cross  
8 and in order to be to brief this to know exactly  
9 what it is the proposal to each party is. And so I  
10 just wanted to raise that now so we could be  
11 thinking about how to resolve that. And for the  
12 staff too so they will know what they're to be  
13 deciding, and my understanding is and our great  
14 hope is contract language will actually be decided,  
15 but if the contract language doesn't reflect the  
16 testimony or the proposal, then none of us know  
17 what to do with it.

18           And again, it came up several times  
19 yesterday, so I thought it would be worth kind of  
20 getting it on the table so we could figure out how  
21 to resolve it.

22           MR. HARRINGTON: And let me add, I spoke

1 to the Cox negotiator last night at some length,  
2 and she informed me that the VGRIP proposal had  
3 never been given to Cox. As the staff knows, Cox  
4 and Verizon have been exchanging language up until  
5 actually I think it was Friday when we resolved  
6 issue I-10, so it's not like the negotiation  
7 process has stopped from Cox's perspective.

8           And so, hearing that Verizon thought that  
9 VGRIP was on the table was quite a surprise to Cox.  
10 We had never received from Verizon in any  
11 negotiations any VGRIP language or any proposal,  
12 and as I said yesterday, it was not in the reply  
13 from Verizon. It was not in the first JDPL, it was  
14 not in the second JDPL, so we are quite concerned  
15 about the possibility that we are going to have a  
16 real moving target here.

17           And VGRIP, although Verizon has  
18 characterized it as a compromise, in fact, is  
19 significantly different from the GRIP proposal and  
20 does not does not represent a middle ground between  
21 one from the another from Cox's perspective, and so  
22 we concerned about the possibility that we won't

1 know language it is we're discussing until after  
2 the briefing is done.

3 MR. DYGERT: Right. And this is similar  
4 to a concern that we have had for some time that we  
5 know exactly what language it is that's being  
6 proposed by all the different parties, so we know  
7 what we're supposed to be choosing between, I  
8 guess--

9 MR. EDWARDS: If I may just respond  
10 quickly, the WorldCom comments are certainly fair.  
11 But I think we have to put it into some context  
12 also in the fact that WorldCom has its language and  
13 Cox has this language and AT&T has its language.  
14 We have three moving targets which we have to deal  
15 with.

16 MR. DYGERT: You don't really need to  
17 respond as if it were an attack on either your  
18 representation or Verizon's negotiations. We  
19 understand that a lot has been going on and that  
20 it's a complicated process, and I'm not trying to  
21 assign blame here. I just want to be sure that at  
22 some point in the near future, everything comes to

1 rest for our purposes, and if we want to talk about  
2 how that should happen, I'd be glad to do it.

3 MR. EDWARDS: I think that would be fine.  
4 When we left last night, we talked last night and  
5 we talked again this morning about making sure on  
6 the VGRIP proposal that we have, I think the staff  
7 expressed a preference that we have one set of  
8 language out there as best as can be done given the  
9 fact that we were working with three different  
10 contracts, put consistent language across the  
11 board, and that's something we are working on.

12 MR. DYGERT: Okay. Do you have an idea of  
13 when you're likely to have something that can be  
14 put into final form on that?

15 MR. EDWARDS: I do not as I sit here this  
16 morning. I hope before the end of the day or  
17 certainly before the end of the week to let you  
18 know when we do.

19 MR. DYGERT: Okay. Because I think--well,  
20 what we would like to aim for at least is to be  
21 able to get probably by the beginning of next week  
22 another revised JDPL that includes the language or

1 some, I guess ideally a JDPL, if not the JDPL, some  
2 other format that allows us conveniently to compare  
3 language because once the noncost portion of these  
4 hearings are over, the staff that have been working  
5 on those are going to start trying to do their work  
6 on deciding--at least preliminarily deciding where  
7 to go depending on the receipt of the briefs. So  
8 as close as possible to that date is what we'd like  
9 to be aiming for, but we still understand that the  
10 parties have a lot to do.

11 MR. EDWARDS: The first of the next week I  
12 think is probably going to be unrealistic given the  
13 fact that everybody that needs to do it is sitting  
14 in here, but I would think sometime next week we  
15 could do that.

16 MR. DYGERT: Okay. Well, if you all can  
17 talk among yourselves and let us know what you  
18 think will work for you, I'd appreciate it.

19 MR. HARRINGTON: I want to note for the  
20 record here that from Cox's perspective we think  
21 this is incredibly unfair that the contract  
22 language that's been proposed to us could change

1 after the hearing is done. Verizon had three  
2 different occasions in this proceeding in which it  
3 could propose its contract language. The only  
4 language it's ever proposed to Cox, not only here  
5 but in the negotiations was GRIP, and if there is  
6 some possibility that Cox is going to get the VGRIP  
7 language substituted for the GRIP language sometime  
8 after the hearing closes, I think we are terribly  
9 prejudiced here.

10           And I will just note that for the record.  
11 I understand what the Commission is doing, but we  
12 will reserve our rights to object vociferously if  
13 Verizon put the VGRIP language into Cox.

14           MR. DYGERT: All right. And I believe you  
15 indicated before we started this morning that you  
16 had had a chance to at least review the VGRIP  
17 language that's currently on the table with respect  
18 to AT&T and WorldCom, and you had some examination  
19 on that for the Verizon witnesses.

20           MR. HARRINGTON: I do. And I would like  
21 when we move to the examination to do that, and  
22 it's going to be based on the AT&T language because



1 my understanding of the representations yesterday  
2 was that AT&T was the state of the art for VGRIP.

3 MR. EDWARDS: It's the most recent.

4 MR. DYGERT: Mr. Edwards, do you know if  
5 the--assuming that VGRIP has been proposed to Cox  
6 or if it hasn't been that it is now being proposed  
7 to Cox, would the language differ in substance from  
8 what has been proposed to AT&T?

9 MR. EDWARDS: It would be essentially the  
10 same. The only caveat I have on that is we do have  
11 a record request from the staff with respect to one  
12 modification that was discussed yesterday about  
13 limiting the IP--limiting the number of IPs per  
14 calling area to one, which we are prepared to  
15 respond to today. That may have some effect on  
16 what ultimately is the VGRIP proposal that would be  
17 considered. But the contract language that is  
18 in--that's been proposed for AT&T and is in the  
19 JDPL would be essentially the same for all  
20 substantive purposes as would be offered to Cox.  
21 MR. DYGERT: So, the same as AT&T's but  
22 with the modification that the number of IPs per

1 IPs per rate center or local calling area might  
2 change?

3 MR. EDWARDS: Yes, sir.

4 MS. FARROBA: Just to clarify for the  
5 record, I was the one that asked the questions, but  
6 I didn't ask that the language be modified. I was  
7 just trying to clarify what Verizon's position is.  
8 And so, if you're saying that Verizon's position is  
9 going to change, then that would obviously be  
10 something that I think all the parties would want  
11 to ask questions about, and certainly the staff  
12 would want to probe further, but I just want to  
13 make it clear I hadn't asked Verizon to change  
14 something.

15 MS. KELLEY: And I guess I just want to  
16 echo Mr. Harrington's concern that again, we have  
17 no--no problem at all with proposals evolving, but  
18 we are concerned that they evolve either after we  
19 have a chance to test them on it or that they  
20 evolve during testimony, but it doesn't actually  
21 match the proposal, and so it's hard for us to know  
22 what it is we are supposed to be contesting, what

1 we are supposed to be briefing, what we are  
2 supposed to be crossing on.

3 MR. DYGERT: Well, I think at some point,  
4 although we understand the parties may continue to  
5 negotiate, at some point for our purposes and for  
6 purposes of deciding the parties' disputes, things  
7 are going to have to come to rest, and I guess  
8 Cox's position is they should have come to rest  
9 already.

10 MR. EDWARDS: I think it's fair to  
11 recognize that this is an amorphous process to some  
12 extent because when--not only Verizon but when all  
13 four parties are asked questions about, well, are  
14 you willing to consider this or are you willing to  
15 change that, and I think all the parties in the  
16 cross-examination so far have answered the  
17 questions, that may result in some impact on what a  
18 party's position is and vis-a-vis that what the  
19 contract language ultimately will be.

20 MR. HARRINGTON: Cox does not object to  
21 that sort of thing, and that's certainly part of  
22 the natural process. What we are concerned about

1 is that just using the last JDPL, but also using  
2 Verizon's reply. Those were supposed to stake out  
3 what Verizon's positions were, and particularly the  
4 last JDPL was supposed to be the final  
5 representation of the parties' contract language  
6 and other positions. And if Verizon wants to  
7 introduce a wholly different approach to this  
8 particular issue, it really changes the way things  
9 are, and that's--the sum of our concern.

10 Incremental changes aren't a problem. I think it's  
11 been real helpful when the staff and others have  
12 asked questions about could you live with this  
13 change. Those are very good and helpful, but it's  
14 a wholesale change that's really the concern to us.

15 MR. DYGERT: Right, okay. Well, I guess  
16 we will hear from all four of the parties either  
17 later today or tomorrow about what you think is a  
18 reasonable time frame, a doable time frame for  
19 getting all the current contract language  
20 memorialized. And at that point if any of the  
21 parties feel they have been grossly prejudiced by a  
22 change in the language that they haven't had the

1 opportunity to cross-examine on, we will see  
2 whether it is feasible to allow some sort of brief  
3 cross-examination like that. But it seems to me  
4 that for our present purposes, the best way to  
5 proceed is to hear from Verizon about their  
6 willingness to modify the VGRIP proposal as Mr.  
7 Edwards just indicated, and then I suppose for Cox  
8 to conduct the examination that it needs to on  
9 VGRIP as opposed to GRIP. Mr. Edwards?

10 MR. EDWARDS: Mr. D'Amico is prepared to  
11 respond to the question that was placed by ALJ  
12 Farroba yesterday.

13 MR. DYGERT: Yes. Mr. D'Amico?

14 MR. D'AMICO: Good morning. Yesterday, as  
15 you recall, the language was read, and the question  
16 was asked if there is an existing co-location  
17 arrangement, Verizon could request that that become  
18 an IP, and then the question came, well, what if  
19 there is--I think the example was four offices in  
20 the same local calling area, would all four be  
21 entitled or be able to be a CLEC IP.

22 Again, I think my initial response is gee,

1 we never thought of that.

2           The language actually says that you can,  
3 but our intent was to say that it would be one per  
4 calling area, so that's where we would have to make  
5 that language clearer so that there wasn't some  
6 confusion on that. Is that clear enough?

7           MS. FARROBA: That's clear to me. Thanks.

8           MR. DYGERT: Mr. Harrington?

9                   CROSS-EXAMINATION

10           MR. HARRINGTON: Thank you. You will have  
11 to bear with me because I'm not that familiar with  
12 this proposal, so I will ask a few clarifying  
13 questions first. I guess I will start with how  
14 VGRIP is going to work, and I apologize.

15           Now, as I understand this proposal,  
16 Verizon would get to decide that it wants to have  
17 the interconnection based on the geographically  
18 relevant points. And at that point you would be  
19 faced with the choice, the CLEC would be faced with  
20 the choice of either having the interconnection  
21 take place at the co-location at a tandem or end  
22 office, depending on the number of tandems in the

1 LATA or having its reciprocal compensation reduced  
2 by the amount of transport for whatever distance to  
3 the point of interconnection; is that correct?

4 MR. D'AMICO: Yes, sir.

5 MR. HARRINGTON: Now, if you have a single  
6 tandem LATA, then instead of having the tandem as  
7 the handoff point, the handoff point would be at  
8 co-location at end offices; is that correct? At  
9 Verizon's option.

10 MR. D'AMICO: In a single tandem LATA,  
11 yes. Correct.

12 MR. HARRINGTON: Are there single tandem  
13 LATAs in Virginia?

14 MR. ALBERT: Norfolk.

15 MR. HARRINGTON: Yesterday you weren't  
16 sure but now you believe Norfolk is a single tandem  
17 LATA?

18 MR. ALBERT: Yes.

19 MS. FARROBA: And also, just so that we're  
20 clear on this, at least I'm assuming when you are  
21 asking for single tandem LATA, are you referring to  
22 local tandem or maybe not?

1 MR. HARRINGTON: My understanding, and I'm  
2 sure the witnesses will tell me if I'm wrong, we  
3 are referring to tandems where CLECs are permitted  
4 to interconnect.

5 MR. D'AMICO: Correct.

6 MR. ALBERT: Correct.

7 MS. FARROBA: Would that be only local  
8 tandems?

9 MR. D'AMICO: Local tandems, yes.

10 Well, in the event that there is a local  
11 tandems, there are LATAs where there are designated  
12 local tandems, and therefore, they just use the  
13 axis tandems.

14 MR. ALBERT: Let me make sure we get the  
15 terminology right. Some of the tandems are  
16 considered access tandems. Some of them are  
17 considered local tandems. Some of them are  
18 considered both. What we are talking about are the  
19 tandems where we interconnect with the CLECs. In  
20 Virginia, terminology-wise, some of those are  
21 access, and some of those are both local and  
22 access. The particular question yesterday about



1 Harpersville, that is a local tandem for Verizon  
2 traffic only for a handful of offices in the  
3 Williamsburg/Newport News area. We do not use that  
4 for interconnecting with CLECs; so, in the Norfolk  
5 LATA, all of the tandems for CLEC interconnection  
6 all take place off of the one tandem at Bute  
7 Street, which is both a local tandem as well as an  
8 access tandem.

9 MR. GOYAL: What criteria does Verizon use  
10 in deciding which tandems it will permit CLEC  
11 interconnection?

12 MR. ALBERT: What criteria? That's pretty  
13 much usually the tandems that we ourselves use for  
14 local traffic. Now, obviously that doesn't fit  
15 with what I just described for Norfolk, so we have  
16 a bit of an anomaly there, and that's because just  
17 geographically we have got a handful of offices in  
18 the Williamsburg and Newport News area that are the  
19 only things that we tandem between for ourselves  
20 off of that switch. We never had anybody else ask  
21 if they want to interconnect there to do the same  
22 thing. If they did, probably would go ahead and do